

February 27, 2023

Re: Governor's Budget Recommendations for the Department of Labor and The Office of Workforce Competitiveness.

To: Appropriations Committee

The Hon. Catherine Osten, Co-Chair, The Hon. Toni Walker, Co-Chair, The Hon. Joan Hartley, Vice Chair, The Hon. Tammy Exum, Vice Chair, The Hon. Corey Paris, Vice Chair, The Hon. Eric Berthel, Ranking Member, The Hon. Tammy Nuccio, Ranking Member.

My name is Joe Carbone, and I am President CEO of The WorkPlace, Southwestern Connecticut's Regional Workforce Development Board. The WorkPlace oversees operations of the American Job Centers in the southwest Connecticut region of the state and provides 20+ targeted programs and employment services designed to support job seekers and employers including Platform to Employment and the Platform to Employment Re-Entry Program that we administer on a state-wide basis. I am writing to you in support of the Governor's proposed budgets for the Department of Labor and the Office of Workforce Competitiveness.

Recently issued labor market reports are a stark reminder of the economic challenges ahead. Connecticut's economy showed steady improvement in 2022 as the state added nearly 40,000 jobs and cut unemployment to 4%, according to recently published data. Yet, the state's labor market is remarkably tight. For decades, Connecticut's demographic data forebode a brewing population crisis. Connecticut is the sixth oldest state in the nation with an average age of 41 years. Our mature workers are starting to retire in greater numbers. Many of our younger, skilled workers leave the state for more affordable opportunities elsewhere.

The Bureau of Labor Statistics reports that Connecticut has approximately 100,000 open jobs and a labor force that is 53,000 people smaller than before the pandemic. The supply and demand disparity of skilled workers remains a barrier to job growth and economic prosperity that must be addressed.

However, under the guidance of Commissioner Dante' Bartolomeo, the Department of Labor has made tremendous strides to grow employment opportunities and the workforce. In her brief tenure, the Department has achieved several milestones including the establishment of the Office of the Unemployed Workers' Advocate; the development of the Paid Family & Medical Leave Act Appeals system, and the expansion of the CT Family and Medical Leave Act; the strengthening of Registered Apprenticeship opportunities for workers; and the implementation of the statutory changes designed to lead to the solvency of the Unemployment Trust Fund. The Department of Labor has improved relationships with safety-net organizations, employer groups, and workforce development systems.

The Governor's budget supports the Department's efforts to advance Connecticut's workforce and provides strategic investments of \$10 million in General Fund support for the CT Youth Employment

Program, which provides job opportunities and work experiences for economically disadvantaged youth, and \$9 million in General Fund supports for workforce transportation which will break down a common barrier to successful workforce training, development, and job access.

The Governor's budget continues the commitments to develop the state's workforce pipeline by establishing the Office of Workforce Strategy (OWS) as an independently budgeted agency – highlighting the office's critical role as the state's dedicated strategic planning facilitator and operationalizing workforce-focused programs statewide. OWS actively supports the state's CareerConnect program – including deploying the \$40 million in bond funding provided to the program.

Over the last two years, OWS has built 11 Regional Sector Partnerships (RSPs) in Healthcare, IT/Data Enabled, Bioscience, and Manufacturing that are collaboratively addressing local employers and job seekers' needs while advancing the industries' competitiveness.

OWS will continue to build on its work to collaborate strategically across institutions of higher education, non-profits, the state's workforce development boards, other state agencies, and employers to ensure the state's workforce delivery system is integrated and informed by all stakeholders. The creation of OWS has dramatically moved the state's approach to workforce development from a siloed collection of affiliated organizations to a unified system focused on employers' needs and advancing a stronger workforce.

The WorkPlace is recognized locally, state-wide, and nationally as a forward-thinking organization that can deliver results. With your support, we look forward to working with the Department of Labor and the Office of Workforce Competitiveness to help more families achieve economic security.

Regards,

A handwritten signature in black ink, appearing to read 'Joseph Carbone', with a long, sweeping horizontal line extending to the right.

Joseph Carbone
President & CEO